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Issue # 36

## The Monthly Minute

with State Senator John Pappageorge

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### Public Employee Retirement Reforms

Dear Friend:

As I have mentioned in previous newsletters – and of which I am sure is no surprise to you – Michigan finds itself in the middle of a difficult realignment in the wake of an unprecedented economic downturn. For state government that means difficult decisions that reconcile a bureaucracy that swelled in the heyday of the domestic automobile industry, to a new reality of lower revenue and an economy in the midst of transition and reinvention.

Inside this issue:

Senator Pappageorge reads to students at Baker Middle School in Troy

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My colleagues and I have dubbed 2010 as “The Year of the Reform” to give prominence to a belief that state government must reinvent itself to operate more efficiently and effectively to survive in this new era.

Senator Pappageorge urges federal action to stop the Asian carp

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We are not alone as even the governor has realized that we must change the way we do business. Incorporated into her budget proposal this year were dramatic changes to the retirement system for state and public school employees. Last week, my colleagues and I in the Senate passed legislation based on the governor’s recommendation in a good faith effort to help reconcile this year’s \$1.7 billion budget deficit and to set Michigan on a course of sustainability well into the future.

4th Annual Pappageorge Park Pick-Up

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Since 2000, wage and benefit compensation for Michigan public employees has increased 11.4%. In that same time period, the average private-sector employee wage and benefit compensation has decreased 19.7%. To address this disparity and make the Michigan Public School Employees’ Retirement System (MPERS) solvent, my colleagues and I approved legislation that would require public school employees and state employees to contribute 3% toward their own retirement. I understand that many teachers and public employees are opposed to contributing 3% toward their own retirement plan; however the 31% disparity between public and private-sector wage and benefit compensation reveals that reform is needed.

Bills to strengthen Crime Victim’s Rights Fund introduced

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The 3% participation by school employees, which has been an aspect of MPERS in the past, will help reduce pressure on school district budgets, therefore reducing the chances of further layoffs. While this plan requires more participation from teachers, I feel confident that this is the right thing to do to keep teacher retirement solvent now and in the future.

Senate panel opens hearings into MEDC tax credits

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Please understand, I’m not saying teachers or other public servants are overpaid. I’m simply making the point that sacrifices are necessary to return us to solvency and stability. I would also point out that some years ago teachers paid 5% into their retirement system.

The White Pine Award of Environmental Excellence

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The increased contribution rate alone will save schools more than \$200 million next year and \$2.4 billion (with a 'b') over the next ten years. Since retirement and health care are the two highest costs according to superintendents and school board members, the money saved by the contribution increase will fill the \$118 per-pupil hole in the school aid budget for Fiscal Year (FY) 2011.

I understand that the status quo is not sustainable. These initiatives will bring much-needed savings and financial stability to public education and control the cost of state government.

The measures now advance to the House of Representatives for further consideration.

Sincerely,

John Pappageorge



## Senator Pappageorge reads to students at Baker Middle School in Troy

To spotlight March is Reading Month, I visited several schools throughout the 13th Senate District to support reading events and literacy. Here are some pictures from my visit to Baker Middle School.



## Senator Pappageorge urges federal action to stop the Asian carp

Michigan's commercial and recreational fishing industry contributes \$7 billion to the state's economy, while the Great Lakes recreational boating industry adds \$9 billion more.

Asian carp are ravenous feeders that compete with native fish and wildlife for food. In some of the pools along the Mississippi River, these carp species now make up 90 percent of the total fish population!

In addition, the leaping silver carp is a particular hazard to recreational boaters, causing injury and property damage.

This species can jump up to 10 feet out of the water when startled by boats, injuring boaters hit by fish that can weigh up to 70 pounds.

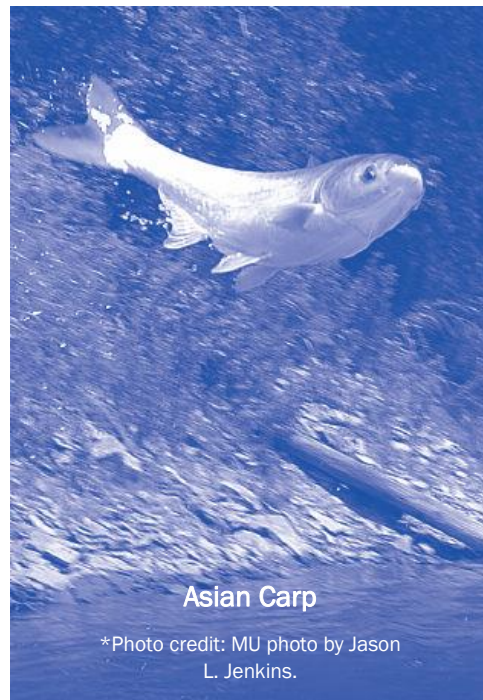
Michigan boaters and anglers share a passion for the protection of our waters. Now our Great Lakes are threatened by this destructive and voracious pest.

Recent tests have found Asian carp perilously close to, if not already in, Lake Michigan after making it past two electrical fish barriers in the Chicago canal.

In December 2009, my Michigan Senate colleagues and I adopted two resolutions (SR 100 and SCR

28) once again urging the federal government to take immediate action to protect the Great Lakes and Michigan's multi-billion dollar fishing and boating industries.

Unfortunately, the response from Washington has lacked urgency and we will continue to press for both immediate and long-term strategies to protect our Great Lakes.



Asian Carp

\*Photo credit: MU photo by Jason L. Jenkins.



# 4th Annual Pappageorge Park Pick-Up

In honor of Earth Day, and in conjunction with the city of Royal Oak's "Adopt a Park for a Day," volunteers joined State Senator John Pappageorge at Sullivan Park Saturday, April 17th to help keep our community clean!



## Bills to strengthen Crime Victim's Rights Fund introduced

A bipartisan plan has been introduced to strengthen the Crime Victim's Rights Fund and help victims of crime. If approved, the proposed laws would increase the assessments defendants are required to pay, fund a statewide trauma center and allow victims to receive more compensation.

Victims of violent crime have already paid dearly and they shouldn't have to worry about lost wages and the added expense of counseling and

other services they need. Supported by assessments from criminal defendants, the fund helps victims of crime with compensation for lost earnings, funeral and burial expenses, and grief and psychological counseling.

Senate Bills 1002-1004 will help ensure these services are funded by increasing payments defendants are required to make. The bills are before the Senate Appropriations Committee.

## New 2010 Michigan road maps now available!

Paving the Way: Map of major road projects underway in your area and throughout Michigan in 2010.

State Transportation Map: 2010 Michigan road map featuring Michigan's many *Pure Michigan* destinations.

Please contact my office to request a map!

1-877-SEN-13TH (736-1384) (toll-free)

## Senate panel opens hearings into MEDC

The Senate Commerce and Tourism Committee recently convened its first hearing on the Michigan Economic Development Corporation's process of granting tax credits after the administration recently awarded a \$9.1 million business tax credit to a known felon, who was subsequently rearrested for having violated parole.

Richard Short, chairman of Renewable and Sustainable Companies LLC (RASCO), a so-called green energy company based out of Short's mobile home near Flint, was convicted in 2002 of embezzling money. Short was on parole when his company was approved for the \$9.1 million tax credit from the state, which the company claimed it planned to use for renewable energy to provide power and other services to the developing world.

It is clear mistakes were made by the MEDC and the state must reassure taxpayers that similar errors do not happen again. The committee will review the facts in the RASCO case and previous Michigan Economic Growth Authority credits to make sure RASCO was an isolated incident and identify necessary reforms.

## The White Pine Award of Environmental Excellence

Senator Pappageorge joins members of the Michigan State Parks Advisory Committee at the state Capitol. Royal Oak resident Todd Scott and other committee



members were recognized with the White Pine Award of Environmental Excellence for their work on developing the new state parks funding plan.



Check out my web site for legislative updates, helpful resources, upcoming events and more!

[www.SenatorJohnPappageorge.com](http://www.SenatorJohnPappageorge.com)



### Questions or Comments?

If you have any questions or comments regarding information in this newsletter, or wish to be removed from or added to the mailing list, please contact my office at the following information:

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